

Julius Bär

MEDIA RELEASE

Julius Baer Group Ltd.

Julius Baer launches third annual Japan Wealth Report

Julius Baer Wealth Management Ltd. (JBWM), a subsidiary of Julius Baer Group Ltd. with a focus on discretionary wealth management for Japanese High Net Worth Individuals (HNWIs), has released today the third annual Wealth Report dedicated to the Japanese market. The report follows the launch of the Julius Baer Wealth Report on Asia, emphasising the Group's commitment to understanding wealth generation in the region. In addition, Julius Baer continues to expand its work on the Julius Baer Lifestyle Index, detailing the cost of living in luxury in Asia, including Japan.

Zurich / Tokyo, 18 November 2016 – Julius Baer has published the third edition of its 'Wealth Report: Japan'. It consists of three main elements:

First, the report examines the Japanese context in the global debate over the links between demographics and the real economy. Is an aging society automatically also faced with deflation? What are the trade-offs between age cohorts that benefit from either inflation or deflation? Are we measuring the right indicators to really understand how Japanese consumers are behaving in the current environment? In short, this section seeks to challenge many commonly held assumptions regarding the Japanese economy.

Second, the publication highlights the findings of this year's Julius Baer Lifestyle Index, with a special emphasis on Tokyo. In aggregate, the cost of living a luxurious lifestyle in Asia declined by -1.68% in USD terms in 2015-16. In Japan, however, notably items related to luxury travel showed double digit increases, in yen terms. Official statistics underscore that Japan is a key destination for high income travellers from around the world, putting it on the forefront of luxury consumption. Julius Baer expects the trends to continue well into the medium and longer term.

Last, the 'Wealth Report: Japan' looks at the very high levels of cash in Japanese household balance sheets and explores the reasons behind this phenomenon. In traditional portfolio theory, cash has often been seen as a 'residual'; however, against the backdrop of especially low or negative interest rates and downward pressure on prices, does this assumption still hold? What are the tactical benefits of using relatively high levels of cash in investor portfolios? Julius Baer believes that lessons learned from Japan's experience in this regard have relevance in a world where low inflation and very low interest rates have become the norm.

The 2016 'Julius Baer Wealth Report: Japan' is available in English and Japanese on www.juliusbaer.com

Contacts

Media Relations Asia Pacific, tel. +852 2899 4889

Media Relations Zurich, tel. +41 (0) 58 888 8888

Edelman Japan K.K., tel. +81 (0) 3 4360 9000, ayako.okamoto@edelman.com

Julius Baer Group Ltd.

Bahnhofstrasse 36, P.O. Box, 8010 Zurich, Switzerland

T +41 (0) 58 888 1111, F +41 (0) 58 888 5517

www.juliusbaer.com

About Julius Baer

Julius Baer is the leading Swiss private banking group, with a focus on servicing and advising sophisticated private clients and a premium brand in global wealth management. At the end of October 2016, assets under management amounted to CHF 327 billion. Bank Julius Baer & Co. Ltd., the renowned Swiss private bank with origins dating back to 1890, is the principal operating company of Julius Baer Group Ltd., whose shares are listed on the SIX Swiss Exchange (ticker symbol: BAER) and are included in the Swiss Market Index (SMI), comprising the 20 largest and most liquid Swiss stocks.

Julius Baer employs a staff of over 6,000, including close to 1,400 relationship managers, and is present in over 25 countries and more than 50 locations. Headquartered in Zurich, we have offices in key locations including Dubai, Frankfurt, Geneva, Hong Kong, London, Luxembourg, Milan, Monaco, Montevideo, Moscow, Mumbai, Singapore and Tokyo. Our client-centric approach, our objective advice based on a unique open product platform, our very strong financial base and our entrepreneurial management culture make us the international reference in private banking. For more information visit our website at www.juliusbaer.asia

About Julius Baer Wealth Management Ltd.

Julius Baer Wealth Management Ltd. is a well-established investment house with offices in Zurich and Tokyo and has a consistent two-decade track record of providing bespoke discretionary investment solutions to Japan-based HNWIs. The investment process pays particular attention to currency risk and the team has been adept at navigating market cycles, preserving client capital during times of financial market distress.